

California Urban Reuse: Looking to Smart Growth Revolving Loan Fund Application

I. Applicant Information

- A. Project Title: California Urban Reuse: Looking to Smart Growth
- B. Grant Type: Brownfields Revolving Loan Fund (BRLF) grant for cleanup funds.
- C. Total Dollar Amount Requested for this Grant: \$4 million: estimated at \$2.5 million for hazardous substances cleanups and \$1.5 million for petroleum waste cleanups.
- D. Name of Applicant: The California Department of Toxic Substances Control (DTSC) will be the cooperative agreement recipient for the California Urban Reuse Coalition (CURC).
- E. Project Contact: Mr. Jeffrey Ingles, Department of Toxic Substances Control, 1001 "I" Street, 11th Floor, Sacramento, California 95812-0806
- F. Chief Executive: Mr. B.B. Blevins, Director, Department of Toxic Substances Control, 1001 "I" Street, Sacramento, California 95812-0806
- Mr. Detrich Allen, General Manager, City of Los Angeles Environmental Affairs Department, 200 North Main Street, Mailstop 248, Los Angeles, California 90012
 - Ms. Marcia Rosen, Executive Director, San Francisco Redevelopment Agency, 770 Golden Gate Avenue, San Francisco, California 94102
 - Mr. Robert P. Thomas, City Manager, City of Sacramento, 730 "I" Street, Sacramento, California 95814
- G. Location: The State of California, that includes Coalition cities of the City of Los Angeles, City of Sacramento, and City and County of San Francisco.
- H. Population: The State of California has a population 35,000,000 with the City of Los Angeles having the largest population with just fewer than 4,000,000. The City and County of San Francisco has a population of 793,000, and the City of Sacramento has a population of 441,000.
- I. Other: The CURC target areas include the State of California, and the Cities of Los Angeles, Sacramento and San Francisco. California includes these special areas of consideration:
- 40 state designated enterprise zones
 - 340 redevelopment agencies

- 30 cities with a population over 100,000, with the Cities of Los Angeles and San Diego having the largest populations of 3,912,200 and 1,294,000 respectively.
- 11 counties have population over 500,000.

II. Threshold Criteria for RLF Grants

- A. Applicant Eligibility: DTSC is a State Agency authorized by the State Legislature to take action to protect public health and the environment.
- B. Community Notification: The public was notified through the following actions:
- October 4 and 7, 2004 - the City of Los Angeles held Brownfields briefing sessions to solicit ideas for the grants.
 - November 3, 2004 (proposed) - the City of Los Angeles announced the grant proposal and provided an opportunity for public comment during the Housing and Economic Development City Council Committee meeting.
 - Cal/EPA, CCLR and CRA distributed an announcement of the draft grant proposal on their respective Listserv.
 - On November 3, 2004 - an official press release from DTSC to media outlets.
 - On November 3, 2004 - the City of Sacramento solicited public comments through the Sacramento Bee newspaper by providing information about the BRLF cleanup proposal and highlighted the potential target areas in Sacramento. The public and interested property owners in the target specific areas were encouraged to provide feedback about the proposal.
 - November 1, 2004 - the City of San Francisco Redevelopment Agency attended a public meeting of the Bayview Hunters Point (BVHP) PAC Executive Committee to discuss the Agency's intent to apply for the EPA Brownfields grant and to solicit feedback and responses. Details were provided on the purpose of the funding, requested responses from the public and provided contact information.
 - November 8, 2004 (proposed) - the San Francisco Redevelopment Agency attended a public meeting of the BVHP PAC Land Use Committee to discuss the Agency's intent to apply for a BRLF grant and to solicit feedback and responses.
 - November 9, 2004 (proposed) - the City of San Francisco distributed an Informational Memorandum to the San Francisco Redevelopment Commission at a formal public meeting. The Memorandum was also distributed to the Commission mailing list, which included the general public.

- C. Letter from the State or Tribal Environmental Authority - While a letter is not specifically required by the State since DTSC as the applicant is the State agency, the Secretary of Cal/EPA has prepared a letter that supports DTSC and the Coalition partners in pursuing this grant (See Attachment 1).
- D. Site Eligibility and Property Ownership Eligibility (*Site Specific Proposals Only*): No specific projects have been specifically identified. Projects will be selected using the selection criteria outlined in this application. Each of the three Coalition Cities will initially focus their efforts by providing funds to specific target areas including: 1) the City of Los Angeles: Wilmington Industrial Park Area near the Los Angeles Port and housing development near the Metro Link lines; 2) the City of Sacramento: 65th Street Transit Village Area and the Richards Boulevard Area; and 3) the City of San Francisco: Bayview Hunters Point Survey Area and Third Street Corridor.
- E. Cleanup Authority and Oversight Structure:
1. Projects participating under California Urban Reuse Revolving Loan Fund will rely on the oversight services of the State's Voluntary Cleanup Programs within DTSC's Site Remediation and Brownfields Reuse Program or the respective Regional Water Quality Control Boards. These are the two California State Agencies that have regulatory authority to oversee and approve cleanups of hazardous substances and petroleum waste sites to ensure the cleanups are consistent with state and federal laws and are protective of public health and the environment. CURC will ensure the funding information and cooperative agreement specify that any of the grant recipient's cleanup plans (including Remedial Action Plans and Removal Action Plans), public participation plans, implementation and construction plans, and operation and maintenance plans will require the oversight and approval of either agency depending on the appropriate jurisdiction and expertise.
 2. DTSC has the legal authority to access and secure sites in the event of an imminent and substantial endangerment in order to protect public health and the environment or if there is a default of a loan agreement or non-performance under a sub-grant. The legal opinion documenting this authority is found in Attachment 2.
- F. Cost Share: CURC's proposed cost share of 20% or \$800,000 will be met in a variety of avenues. One, the Coalition partners will provide, as needed, in-kind services including activities to advertise and market the BRLF program, outreach associated with the sub-grants and community involvement, and oversight of technical services of tasks identified in the proposed budget. Second, the CURC will require loan or sub-grant recipients to provide up to 20% cost share related to eligible and allowable

expenses. This will be accomplished by: 1) pairing the awards of BRLF with eligible brownfields or economic development funds (such as CBGD funds); 2) requiring recipients to provide a match of up to 20% in money, labor, material or services if no other funds described in option 1 are being leveraged as cost share; or 3) a combination of 1 and 2. CURC will ensure the 20% cost share meets the EPA's definition of "eligible and allowable expense."

- G. Legal Authority to Manage a Revolving Loan Fund: (section still being drafted).

III. Ranking Criteria for Assessment Grants

- A. Revolving Loan Fund Grant Proposal Budget: CURC proposes to operate a BRLF of \$4 million of which approximately \$2.5 million will be made available for hazardous substances sites and \$1.5 million will be made available for petroleum sites. CURC proposes to provide up to 60% of the funds to eligible persons, local government and non-profits in the form of revolving loans and up to 40% of the funds as sub-grants to eligible local government and non-profits. The cooperative agreement will specify details for each Coalition partner for accessing these funds. The cost share for the RLF is 20% or \$800,000 and will be provided by the recipient of the loans or sub-grants when possible and in-kind services as described in Section F of the Threshold Criteria. With respect to the petroleum funds, the CURC will place limits on the use of these funds in that the State of California has a Leaking Underground Tank Fund that reimburses costs to qualified applicants associated with certain petroleum releases. CURC proposes that the \$1.5 million in petroleum cleanup funds will be used for cleanup costs and/or sites that cannot be reimbursed by this Fund.

Budget Narrative:

Task 1: Community Involvement, Education and Marketing: The funds will be used to purchase supplies, use contractual services, and travel expenses to advertise the loan and sub-grant programs and conduct community involvement and outreach activities. CURC will also partner with various City departments to assist in notifying the broader community about the loan opportunities, particularly the City departments that already provide various types of loans, and work with various non-profits and community-based organizations to keep them informed of economic and development plans. As outlined in Section F "Community Involvement" below, the public will be provided an opportunity for input regarding the cleanup and redevelopment plans. Travel funds will be used for Coalition partners to perform outreach activities and educational purposes that inform of U.S. EPA's Brownfield requirements for operating grants

including attending the National Brownfields and Western Regional Brownfield Conferences to share lessons learned and highlight successes.

Budget and Project Tasks for Loans and Sub-grants						
Budget Categories	Task 1 Community Involvement	Task 2 Establishing RLF	Task 3 Selecting & Operating RLF	Task 4 Selecting & Operating Sub-grants	Task 5 Oversight of the Cleanup	Total
Personnel						
Travel	\$15,000		\$5,000			\$20,000
Equipment						
Supplies	\$5,000					\$5,000
Contractual	\$10,000	\$20,000	\$220,000	\$110,000		\$360,000
Loan – Hazardous Substances			\$1,215,000	\$1,000,000		\$2,215,000
Loan – Petroleum			\$1,000,000	\$400,000		\$1,400,000
Subtotal	\$30,000	\$20,000	\$2,440,000	\$1,510,000		\$4,000,000
Cost Share recipients	\$15,000		\$300,000	\$120,000	\$40,000	\$475,000
Cost Share - in kind	\$80,000	\$10,000	\$200,000	\$20,000	\$15,000	\$325,000
Cost Share Sub-Total	\$95,000	\$10,000	\$500,000	\$140,000	\$55,000	\$800,000
Budget Total	\$125,000	\$30,000	\$2,940,000	\$1,650,000	\$55,000	\$4,800,000

Task 2: Establishing RLF: Funding will be provided for contractual support to assist CURC with establishing the RLF, to review applications and eligibility requirements, prepare loan documents, and conduct loan underwriting, promissory notes and deeds of trust. Contractor support including tasks outlined in Tasks 3 and 4 is estimated to be approximately 10% of the actual loan amount.

Task 3: Selecting and Operating RLF: Coalition members will make loan allocations based on the criteria and considerations adopted by CURC. General scoring criteria have been outlined in this application. Contractor support in the amount of \$220,000 has been allocated to handle the disbursement of funds and provide ongoing loan repayment, and monitoring and reporting. No more than 60% of the funds will be allocated to the RLF of which \$1,215,000 will be allocated to hazardous substances sites and \$1,000,000 to petroleum sites. CURC estimates \$500,000 in cost share of which \$300,000 will be from grant recipients, and may include fees from borrows, interest on loans, and other program income to meet the cost share, and \$200,000 from in-kind services specifically personnel services. Travel funds have been allocated to allow CURC members an opportunity to hold meetings to discuss and select sites and the report on the effectiveness of the BRLF program.

Task 4: Selecting and Operating Sub-grants: Coalition members will make sub-grants to non-profit organizations and other public agencies based on the considerations, guidelines and criteria develop by CURC. No more than 40% of the funds will be allocated to sub-grants of which \$1,000,000 will be allocated to hazardous substances sites and \$400,000 to petroleum sites. The cost share for recipients of the sub-grants is estimated to be \$120,000 with cost share for in-kind services in the form of personnel services of \$20,000.

Task 5: Oversee Cleanup Activities: This task provides oversight of the cleanup activities to ensure each participating site meets the standard of protection of public health and the environment. The State oversight agency will ensure the community is provided with information about the cleanup and reuse proposal, provided with progress reports and an opportunity to provide input based on public interest. Services provided by the oversight agency through the Voluntary Cleanup Programs may be required to be reimbursed by the loan or sub-grantee recipient. These costs may be considered as cost share and is estimated to be \$55,000. The oversight agency may provide specific oversight tasks as in-kind services, which are estimated to be \$15,000.

B. Community Need:

1. Target Communities: The State of California is comprised of several major metropolitan areas including the Cities of Los Angeles, San Diego, Sacramento, and San Francisco. For the purposes of this grant application, population centers within the State of California are considered to be the target communities along with the Coalition cities of San Francisco, Los Angeles and Sacramento. San Francisco's Bayview Hunters Point community is located in the southeastern section of San Francisco, adjacent to the Hunters Point Naval Shipyard. According to the 2000 U.S. Census, 34,305 people live in the census tracts that make up the Bayview Hunters Point area representing a wide array of ethnic backgrounds, about half of whom are Black (44%), 26% are Asian, 16% are Latino and 8% are White or Others. However, area residents have been disproportionately affected by economic cycles. Unemployment rates are more than twice citywide rates and incomes are far below citywide medians. Bayview residents hold a relatively small proportion of the jobs located in the area today. Sixty percent (60%) of the jobs are held by persons living outside of San Francisco. Commercial property values are depressed and the area suffers from a lack of retail services for area residents and communities and potentially eligibly for the BRLF loans and sub-grants

The City of Los Angeles target area, which includes the Wilmington Park area, is 97% non-white mostly Hispanic and consists of 80% low-

moderate income persons, with 39.7% of families and 40% incomes below the poverty level. The redevelopment of the Industrial Park will also serve two adjacent areas whose residents are 77.8% and 64.62% low to moderate-income individuals respectively with unemployment at 6.7% in the Wilmington area. According to the 2000 U.S. Census, across the City of Los Angeles, 22.1% of individuals, 18.3% of families, and 18.6% of households are living below the poverty level. The average unemployment rate is 9.3%. The poverty level in Metropolitan Los Angeles is 32.7%. Low-income individuals and families are clustered primarily in heavily minority communities where unemployment and poverty levels far exceed these values. Our experience indicates that vacant, under-utilized properties are often located in these low-income, minority, and disadvantaged communities where low property values, low demand for property, and unsophisticated owners combine to create conditions resulting in blight, contamination not being properly remediate, owners not being able to sell properties, and properties being abandoned or not properly maintained.

The Sacramento region as well as the City of Sacramento has experienced unparalleled development pressure over the last decade. The rapidly growing population, which has been continually pushed to suburban fringes, has contributed to worsening traffic and air quality problems. One possible solution is to provide higher density residential development closer to the dense downtown employment center. Sacramento has many such opportunities but many properties are constrained from redevelopment by the need for toxics cleanup.

2. Community Benefit: San Francisco's remediation of polluted sites and elimination of blight will increase public safety, health and welfare for the Bayview Hunters Point Community. The Third Street Light Rail Transit (LRT) project, currently under construction will provide a vital transit link to other parts of the city and with the bay-wide transit network. The Third Street LRT project creates opportunities for new residential and commercial uses in mixed-use and other transit-oriented developments. For example, the Town Center block, centered on Third Street, has been identified as a district with the largest opportunities for new housing, commercial and civic uses which will stimulate economic development. In addition, over 300 units of affordable senior housing are currently being developed within one to two blocks of new LRT stations. These projects all include parcels that will require environmental remediation and cleanup. Remediation and cleanup of brownfield sites is essential to revitalize the area and stimulate economic development.

For the target area in Los Angeles, remediation will boost property sales and increase redevelopment with more attractive uses at higher economic values, thus improving the overall value of the neighboring businesses, residential properties and job creation for local residents. The targeted

areas will benefit from these funds because they have continued to suffer greatly from brownfields and other environmental insults.

3. Impact of Brownfield Properties: There are as many as 120,000 properties throughout the State of California, including former industrial properties, military bases, small business and landfills, former gas stations and other related commercial and industrial services that are contaminated or believed to be contaminated with some levels of toxic substances or petroleum waste. Often these properties are identified as a brownfields because of the economic burden and environmental concerns that impact the community. The goal of CURC is to provide funds through the BRLF program to address contamination problems and to ensure site cleanups improve properties in economically challenged and urban neighborhoods.

The history of the San Francisco area and continued prevalence of industrial uses in Bayview Hunters Point makes environmental pollution a significant problem, which has as many as 60 documented releases of hazardous materials. The area contains as many as 634 vacant parcels and 160 vacant buildings. Nearly 25% of the area's buildings are in deteriorated or dilapidated condition or show signs of deferred maintenance. Many of the industrial areas are adjacent to residential neighborhoods, creating conflicts between industrial and residential uses. Remediation and cleanup of brownfield sites is essential to revitalize the area and stimulate economic development. Due to the extensive presence of hazardous substances, the Shipyard was designated as a U.S. EPA Superfund site in 1989. This area continues to be home to more than 500 heavy and light industrial uses, retail and commercial establishments and a richly diverse community of residents. In September 1996, the USEPA awarded a \$200,000 Brownfields Pilot Project grant to the Agency to conduct preliminary assessment work in the Bayview Hunters Point area. A search of environmental regulatory databases identified 349 regulated sites within the area that had a documented release of hazardous materials, were permitted to generate hazardous waste, or handle, store, or dispose of hazardous materials or store petroleum.

Los Angeles residents often live in crowded conditions (several families share units) and are especially in need of redevelopment and housing. The 232-acre Wilmington Industrial Park area, which was used for oil extraction in the past, and although currently undergoing redevelopment, it still holds many contaminated sites. The wider area around the site also contains many properties formerly and currently used for oil extraction, current and former industrial uses, and is in the vicinity of the Los Angeles Port, the traffic from which is a significant cause of air pollution. Residents have long claimed adverse health effects due to these factors and from

particles blowing off of outside storage of materials being shipped through the port. The City of Los Angeles has extensive experience in combating brownfields challenges. The City was designated a Federal Showcase Community in 1998, which has led to the City receiving assistance from several federal partners totaling approximately \$80 million. The City of Los Angeles has received nine awards from the U.S. Housing and Urban Development Brownfields Economic Development Initiative funds, which is more than any other city in the nation. The City is also a recipient of the U.S. EPA Petroleum Assessment, Job Training and former USTFields grants and a State Targeted Site Investigation grant.

Among numerous redevelopment areas in the City of Sacramento the 65th Street Transit Village area and the Richards Boulevard area are both light to heavy industrial areas generally blighted by underutilized properties. The 65th Street Transit Village area underwent a plan amendments and rezones in 2003 to facilitate a conversion to transit intensive land uses. Sacramento Regional Transit already serves the area with a light rail station. Approximately 25 properties have been identified with petroleum or other contamination. The Richards Boulevard Area of Sacramento has been a redevelopment area since the mid '90s. This industrial area has been slowly converting to more mixed land uses. It will eventually be served by light rail. A number of reported and unreported contaminated sites are found within this area. The city is engaging in a redevelopment process in this area and brownfields cleanup will be a key component.

C. Site Selection Process

1. The process for selecting borrows and or sub-grants will be based on criteria developed by the CURC. Upon receiving the authorization to release funds, CURC will develop specific selection procedures including an application for prospective recipients and directions to assist CURC in making decisions about project eligibility and scoring criteria. Eligible sites will be scored using the selection criteria considerations:

2. The Selection Criteria will be based upon a number of factors that ensures the project will provide value to the community and the project is ready for reuse. Criteria include:

- i. Community Benefit: The potential benefits to a community from a reuse project can be measured as:

- a. *Potential Economic Benefit*: increases tax base, creates jobs or serves as a magnet for other retail and commercial development;

- b. *Social Benefit*: provides low income housing, addresses environmental justice issues, reduces and/or addresses health risk questions posed by surrounding residents;

- c. *Schools*: assists school districts in complying with regulatory requirements in order to construct new school facilities or expands an

existing project by providing funds to assist with site assessment activity;

d. *Cultural or Historical Significance*: preserves culturally sensitive or historic properties; and

e. *Creation or Restoration of Sensitive Land Uses*: creates wildlife preserves, parks, open space, and hospital.

ii. Sustainable Reuse/Green Building: creates buildings and supporting infrastructure that minimizes the use of resources, reduces harmful effects on the environment, and creates healthier environments for people, for instance green building principles that are environmentally sound and that include smart growth housing designs.

iii. Financial Assistance: CURC partners will provide loans and grants that will leverage any EPA financial assistance with tax increment funding following generated following the adoption of a cleanup or redevelopment plan.

iv. Ability to Manage Grants: In reviewing the application for projects seeking funds, there will be an evaluation to determine what experiences the applicant has in its ability to manage grants or other funds. Interviews and record review may be performed to provide background information about past management of grants.

v. Pioneer status: Pioneer brownfield sites in an economically distressed neighborhood can further promote reuse and redevelopment and therefore benefit from the funds. This consideration involves an evaluation of the economic status of the community and the potential for the area to change based on brownfields redevelopment.

vi. Ability to perform: Funds that are tied up due to access or other constraints impact the life of the revolving loan funds program. This category involves the readiness of the project and evaluation of issues of ownership, contractual relationships and access agreements.

vii. Plans for reuse: This factor evaluates the timing for a redevelopment or reuse project. (Reuse is not limited to commercial development and can include proposed school project, community open space and greenspace use, habitat restoration and specialized non-profit or school projects). Redeveloping a property is more likely to occur when specific plans for reuse and financing arrangements have been identified. Factors to consider include: whether the project is within a designated redevelopment area, the specific plans and timing for reuse, whether funds have been set aside or identified for the redevelopment or reuse project, how reliable is the identified funding, and whether the project is supported by the community and public officials.

D. Description of Target Market for RLF Loan and Sub-grants

1. Outreach to target market: CURC plans to target the funds to the three local community project areas as well as economically distressed communities throughout California with the goal of providing incentives to communities that would no otherwise receive any sufficient funds.

Coalition cities will work cooperatively to prepare marketing tools including fact sheets and brochures, public meeting, and presentation materials for speaking engagements, internet Listserv and press packets that inform California and the target communities of the BRLF program.

2. Business Plan: CURC RLF portfolio consists of \$4M in funds: \$2.4 million in loan funds and \$1.6 M in sub-grants, with 25% available for petroleum cleanups. The minimum loan amount will be \$50,000 with a \$1,000,000 cap. The cap for sub-grants will be \$200,000 for any site. The term will be five-ten years at an interest rate of 2-5% to ensure that the loan is competitive with a variety of loan programs offered by the Cities and private sector. As an incentive, CURC is not planning to obtain interest or principal payments in the first year. The CURC members will work with the applicants to determine, through standard underwriting, the appropriate loan amounts based on the extent of the remediation costs and the overall project economics. The loans will only be provided where remediation funds for the entire project are assembled. Furthermore, the applicants will be screened to ensure development plans are feasible and have been shared with the community. The CURC will draw on in house expertise and other State's Brownfields revolving loan programs for marketing. Underwriting will be the responsibility of the Loan Fund Manager. As the funds are recycled based on the repayment of principal and interest, CURC has established the following as the elements for consideration in prioritizing requests for the BRLF funds and sub-grants.

- \$ Number of living wage jobs to be created or retained,
- \$ Number of jobs held by EZ, EC or RC residents,
- \$ Number of new or future jobs to be held by EZ, EC or RC residents,
- \$ Commitment to use Work Source Centers for hiring needs,
- \$ Commitment to extend any economic benefits to tenants (if applicable),
- \$ Types of use (sustainable design elements included),
- \$ Location of project to existing infrastructure,
- \$ Overall benefit to the community (infrastructure improvements, reduction of blight, etc.), and
- \$ Willingness to involve the surrounding community and receive input,

2. Each of the Coalition cities will reserve funds for their respective project areas that will provide green space and other public use projects including access and use of mass transportation. CURC believes that it can commit the funds to eligible projects in a two-year period and anticipate receiving the funds in fall of 2005. The goal is to solicit applications for eligible projects upon receipt of the grants, making the awards of half of the funds available within one year of receipt.

E. Sustainable Reuse of Brownfields

The City of Los Angeles Brownfields Program has already assisted thirty-three businesses within the Wilmington Industrial Park to develop and/or expand. The Program has already developed an Economic Adjustment Strategy that establishes the vision for the area through its prioritization of activities and the comprehensive nature of the strategy. The Economic Development Administration funded the Strategy, which addresses the current physical conditions for every parcel, established the market for the types of uses that are consistent with the new development within the Industrial Park and infrastructure needs. The visions are to turn the area, much of which can only be characterized as slum and blight, into a modern business park. There have been sufficient success stories in the Industrial Park to ensure that the loan efforts of this application will be successful and that the eventual incremental transition of the area is achievable.

F. Creation and/or Preservation of Greenspace/Open Space or Nonprofit Purpose: Within the City of Los Angeles, just east of the Industrial Park, a 2.43 acre parcel will be assessed to determine the extent of environmental contamination before a park is developed. The property has been used as a railroad right of way, automobile parking lot and housed an electrical substation, aboveground tanks, and an oil well. This development will assist residents who are often in need of open space for recreation and solitude. The East Wilmington Park is slated to include open space, play fields for softball, basketball, a children's play area and eventually a recreation building. The East Wilmington Park will also be available to employees from the adjacent Wilmington Industrial Park. Traffic in the City of Los Angeles has become increasing worse, impacting not only the environmental, but human health. These loans will assist in housing and open-space development near the City's Metro Link lines. The City's increased Transportation Oriented Housing strategy needs a boost and this loan program will enable the City to provide incentives to non-profit housing developers interested in increasing the single-family and low-moderate income housing base in Los Angeles.

G. Community Involvement: Community involvement and associated public notification activities are essential components to the State's response program.

1. The Coalition partners will coordinate their efforts to work inform the various stakeholders including neighborhood and citizen groups, borrowers and redevelopers regarding cleanup decisions and reuse plans. Specifically with regard to cleanup plans, projects participation in the BRLF and sub-grants will consult with DTSC about the site specific requirements and suggested public outreach.

2. An agreement with each of the coalition partners will be prepared that will outline the partnership between the local and state level for each of the coalition cities. A goal of the program is to ensure appropriate and sustainable cleanup that is a benefit of the community. Funds have been allocated in the budget to provide for coordination meetings and provide outreach materials.
 3. An initial notification and assessment will be made with the target community to determine the level of interest on cleanup decision and reuse planning. DTSC will provide updates about the BRLF program and status reports in the form of fact sheets and post on the web site. Funds have been requested in the budget to provide for outreach material that will keep the community updated. Specific communities will be notified of the progress of the project at key steps within the cleanup and reuse progress using a variety of outreach options including, posting on a web site, email notification, and meetings. Specifically, the City of Los Angeles will report on an applicant's approval and progress of the remediation on the City's Brownfields web site.
 4. Information on community based organizations will vary depending on the City. Specifically for the City of Los Angeles includes the City Council representatives, the Community Redevelopment Agency's Community Advisory Councils (CAC) and the City's Neighborhood Councils will serve as catalyst to communicate progress on sites with the larger community and continue to obtain input for the City through their relationships with various community groups and churches. The City's Brownfields Program will create all outreach and progress materials and request that the neighborhood councils and CACs distribute the information accordingly. Where appropriate, these communications will be carried out in the languages of the community.
- H. Reduction of Threats to Human Health and the Environment: The receipt of these funds will mean that contaminated sites in the state of California will be cleaned up and become available for reuse. With an estimated 100,000 brownfields in the state, there is a high demand for public assistance to finance projects that sit idle. The immediate goal is to provide funds to projects that currently pose a risk or potential risk to public health and the environment.

Each of the Coalition cities have an excellent working relationship with the state regulatory agencies (DTSC and Regional Water Quality Control Boards) and will be assigned to an experienced project manager who will provide technical oversight to ensure appropriate cleanup goals are established and met. Projects managers that will be responsible for project oversight that may include: performing site visits; public participation activities; coordination and reviewing and approving sampling and quality

assurance and quality control plans, cleanup plans, implementation plans, or other aspects that documents the completion of tasks. Agencies will provide letters that determines that no further action will be needed and when necessary issue a certificate of completion following a satisfactory cleanup.

- I. Leveraging of Additional Resources: The City of Los Angeles currently has a Cooperative Agreement with USEPA for Assessment, Showcase Community and Job Training grants. In addition, the City has received over \$80 million from grants and loans received from Economic Development Administration (EDA) and US Housing and Urban Development (HUD). Two of the HUD Brownfields Economic Development Initiative grants are in the Wilmington Port area and in the Chinatown area along the City's Metro Link Gold line. Additionally, over \$1 million in EDA funds has been designated for projects that enhance redevelopment along the City's existing transportation hubs, including the Alameda Corridor and Wilmington Port areas.

The City of San Francisco's primary focus is providing funding to projects in the area of the redevelopment plan for the Bayview Hunters Point Survey Area (anticipate for adoption in December 2004). In addition the City will be evaluating projects that favor low-income or senior housing that may be applying for section 202 financing through the U.S. Department of Housing and Urban Development (HUD) as well as tax increment financing (TIFs).

- J. Ability to Manage Grants
The CURC coalition members have extensive experience in managing both grants and loans. DTSC has managed grants through cooperative agreements with the Environmental Protection Agency from the inception of the organization. DTSC has extensive management experience with numerous programs including the Core grant, PA/SI and MSCA grants, and currently the 128 State Response Program Grant.

The City of Los Angeles is currently a U.S. EPA National Brownfields Showcase Community and recipient of a U.S. EPA Cooperative Agreement. The City has consistently submitted required reports as required and managed the funds effectively. The remaining balance in the current Showcase Cooperative Agreement is \$24,620.50. The City also has a Cooperative Agreement for a Job Training and Petroleum Assessment Grant. Since the inception of the City's Brownfields Program, over 100 sites have been identified and evaluated for development potential, 17 Phase I's have been conducted, three large area-wide Phase 1's and three Phase II's have been completed. The program has obtained approximately \$86 million in HUD BEDI Grants, Section 108 loan guarantees, EDA, and other funds. These funds are supporting several

redevelopment projects that are in progress. The City has also conducted brownfields training for its own staff and has worked tirelessly to resolve brownfields barriers on various other City projects. The City Council and Mayor for the past seven years have expended approximately \$1 million annually to support the Brownfields Program. In addition, the City has received more U.S. Housing and Urban Development's Brownfields Economic Development Initiative awards than any other city in the nation. The City was recently awarded its eighth award totaling the grant amount to \$11.2 million and the Section 108 Loan to \$73.5 million.

Over the past ten years, the San Francisco Redevelopment Agency has received federal grants from the Department of Defense and from the Economic Development Administration to undertake the redevelopment of the Hunters Point Shipyard. The Agency is also the local administrator for the Housing Opportunities for People with AIDS (HOPWA) program. The Agency has not received adverse audit findings regarding these federal grants, nor has it been required to comply with special "high risk" terms and conditions pursuant to OMB Circular A-102.

Much like its coalition partners the city of Sacramento and its partner agency the Sacramento Housing and Redevelopment agency has successfully managed Brownfields Assessment Grants and a BRLF. Brownfields pilot initiative moneys have been used by the city to evaluate contamination issues in the two Sacramento railyards. Both former railyards are now on the verge of redevelopment as infill residential developments with a mix of support uses. Both areas are or will be served by light rail and both are close to the downtown employment center. Half of the city's existing RLF has either been loaned out or obligated so that cleanups can be completed.